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Address of
The Honorable George F. Kennan,
Counselor of the State Department,
Columbia Broadcasting System,
10:30-11:00 p.m., EDST,
Monday, August 22, 1949.

THE INTERNATIONAL SITUATION

The international situation at the present time marks a transition. It is a transition from the immediate post-hostilities era, with its short-term problems and demands, to a new state of affairs which may endure for a long time and many aspects of which we may have to learn to regard as normal. Nations and peoples have begun to shake down in the post-war international context, and the long-term problems and challenges of a new period are beginning now to come to the surface.

Let us look first at Europe. For the past four years, life in Europe has been overshadowed by the after-effects of the war--the second great war which has swept that continent during the present century. Secretary Johnson has described to you the condition in which that war left our friends in Europe. We have been trying, in that part of Europe where we could make our influence felt, to help people to repair the tremendous damages of that war, to help them to recover their peace of mind, their clarity of outlook and their confidence in themselves and their future. Others have tried to do something quite different. They have tried to delay economic recovery. They have tried to prevent the restoration of normal conditions generally. They have tried to prolong suffering and bewilderment and unrest and insecurity, and to exploit these conditions in order to fasten a foreign, totalitarian political system on the peoples of Europe.

In this first battle, the forces of order and recovery have thus far succeeded; the others have failed. The natural courage and common-sense of the peoples of western Europe, backed by our aid, have prevailed. The physical effects of war-time destruction are being rapidly overcome. There have recently been important gains in production and internal financial stability. Communist parties have generally lost strength. And beyond the high-water mark of the Russian military advance in the recent war no European country has "gone communist".

These are important successes. They ought to give us courage and confidence to carry on with the work we have started. But the framework in which we must act is rapidly widening. As people successfully solve the immediate problems arising out of the recent war, other problems are coming to the surface which are just as dangerous and just as important to us. These are the long-term problems of economic adjustment in these western European countries. They were already recognized as problems long before the war. They were largely obscured from view during the war period and people tended to forget about them. But they are now coming out in the wash, and are more acute than ever before.

What are

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What are these problems? Basically, they boil down to the question of how Great Britain and the crowded, industrialized countries of western Europe are going to earn the money, even with their restored production, to buy food and raw materials which they require from overseas areas, and particularly from North America. For it is one thing to produce; it is another thing to sell. And so far it has not proved possible for them, particularly Britain, to sell enough to the dollar area to pay for their requirements from that area. Although the Marshall Plan has done much to strengthen the economies of the European countries and to increase their productive capacity, they have not yet been able to gain the new markets which they require. Without these markets they are unable to secure the wherewithal for all of their essential imports. Several factors have recently combined to make this problem one of real urgency, and the coming discussions here in Washington will be devoted to the exploration of possible solutions.

Turning from Europe to the Middle East, we see that the present time also marks a turning point. Why? Because there has recently emerged in that area a new, vigorous state--the state of Israel. This innovation cannot fail to affect profoundly the life of that entire area. It has solved some problems, but it has created others. It is too early to tell what the final effect will be. Much will depend upon the moderation and goodwill with which the peoples of that area, both Arabs and Israelis, succeed in adjusting themselves to the new situation, and upon the firmness and understanding which we Americans exercise in attempting to narrow the area of difference between Israel and the Arab States.

The friendship and collaboration of the other American republics is a constant source of satisfaction and encouragement to us. The Rio Treaty of Reciprocal Assistance which is now in effect has been approved by nearly all of them. This defensive regional agreement, in conformity with the United Nations Charter, is a strong bulwark in the nation's defense.

In the Far East, again, the year 1949 is marking the end of one epoch and the beginning of another. In China the authority of the legitimate government is continuing to disintegrate. In its place, we have a chaotic situation in which the most powerful and important role is now being played by the Chinese Communists. This is a catastrophe not only for the people of China but for the prospects for stability and peace throughout the Far East. These Chinese Communists, whether sincere or not sincere, are deeply committed to false and unrealistic doctrines which have nothing whatsoever to do with the interests of the Chinese people. These doctrines are now being utilized as a means of deceiving the Chinese people and of inducing them to accept a disguised form of foreign rule.

We must not underestimate the seriousness of this situation. It calls for the hardest work and thought,

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and possibly new approaches and techniques, on our part. But people should be careful not to misinterpret its significance. Despite all these changes, the United States remains the greatest commercial and military power in the Pacific area. The real elements of our strength in that part of the world have not been invalidated by what has occurred in the past two or three years in China. People may mislead themselves or their followers for a certain length of time about this. But sooner or later the cold realities are bound to make themselves felt. The final results of this communist experiment in China will not be known until the communist leaders have been forced to face the practical problems of everyday responsibilities over a considerable length of time. It remains to be seen whether they can then reconcile a solution of China's problems with the maintenance of an attitude of offense and defiance toward the nation which is the traditional friend of China and which has brought more in the way of help to the Chinese people than all the rest of the world put together.

These events in China have helped to make improbable for a long time to come the achievement of political and economic stability in that country. Years will now probably have to pass before we can hope to see restored to China settled and peaceful conditions, in which people could proceed without fear or hindrance to the normal forms of international interchange and collaboration. Meanwhile, in China and throughout the Far East, we will have to guard our own proper interests, and the interests of international peace, as best we can, facing frankly the fact that there are forces at large which are dangerously antagonistic to both.

It is clear that in this coming phase of international life, there can be no relaxation of the vigilance and energy with which the foreign affairs of this Government must be conducted.

A political attack of unprecedented cynicism and intensity is being directed against this country and against the free world generally. Strangely enough, it is not because we are marked as the first victims that the edge of this attack is turned against us. There are others who are more immediately and directly threatened than we are. This edge is being turned against us because the attackers know that our strength, moral and material, is the heart of the strength of the free world, and that our own self-confidence, and the confidence of others in us, must be broken before it will be safe to attack the free world anywhere.

So long as things remain this way, there can be no normal peace, and world stability will have to continue to rest on a number of factors which would otherwise not have to bear so large a part of this burden. Prominent among these is the maintenance by this country of a powerful and impressive armed forces establishment, commensurate with the great responsibilities we are being forced to assume in the life of the world community.

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